

SECRET

GUS-0318
26 June 1959

MEMORANDUM FOR THE RECORD

SUBJECT: Concurrence in Amendment No. 5 to Letter Contract [redacted]
[redacted] with Marquardt Aircraft Company, Van Nuys,
California, Project GUSTO

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1. This memorandum contains a recommendation submitted for concurrence of the undersigned. Such recommendation is contained in Paragraph 5.

2. Letter Contract [redacted] covers the procurement of studies, tests and preliminary engineering designs of a ramjet engine suitable for the GUSTO vehicle proposed by CONVAIR, Fort Worth. Amendment No. 5 to the contract adds additional funds to cover expenditures through 15 July 1959 as a result of a time extension to the contract.

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3. Amendment No. 5 obligates an amount of \$374,000.00 chargeable to Fiscal Year 1959, Project GUSTO Funds. This brings the total obligation under the contract to \$2,514,000.00. However, the contractor is authorized to expend up to \$2,524,000.00. The additional \$10,000 is explained in Memo dated 9 June 1959 (GUS-0291). A Program Approval for the above funds is presently in process. By concurrence to this memorandum the Comptroller signifies that sufficient funds are available for this additional obligation.

4. Certification of funds for this contract will be handled under the procedure approved by the Director of Central Intelligence on 15 December 1956 which, in effect, results in all covert expenses involving issuance of Treasury Checks being accumulated in a separate account within the Finance Division. The amounts in this account will be periodically scheduled for certification of the vouchers by the Director. This procedure eliminates the necessity for a separate certification of authority under Section 8(b) of Public Law 110, 81st Congress, (formerly 10(b) - see 85-507 dtd 7/7/58) for each contract.

5. Concurrence in Amendment No. 5 to Contract [redacted] is recommended.

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CONCURRENCES:

[redacted]

[redacted]

Contracting Officer, DFD

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EUGENE P. KIEFER

[redacted]

[redacted]

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Office of General Counsel

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